

Senate Engrossed House Bill

FILED

**JANICE K. BREWER
SECRETARY OF STATE**

State of Arizona
House of Representatives
Forty-seventh Legislature
Second Regular Session
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CHAPTER 316

HOUSE BILL 2864

AN ACT

MAKING SUPPLEMENTAL APPROPRIATIONS AND ADJUSTMENTS FOR FISCAL YEAR 2005-2006
TO DEPARTMENTS OF THE STATE, FOR STATE INSTITUTIONS AND FOR PUBLIC SCHOOLS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Department of education; supplemental appropriations;
3 decreases; purposes

4 A. A total increase of \$16,195,400 is appropriated in fiscal year
5 2005-2006 from the state general fund to the Arizona department of education
6 for supplemental funding for the following purposes:

7 1. An increase of \$16,706,500 for the basic state aid entitlement
8 special line item.

9 2. An increase of \$1,402,200 for the achievement testing special line
10 item.

11 3. An increase of \$711,600 for supplemental state aid pursuant to
12 section 15-980, Arizona Revised Statutes.

13 4. An increase of \$582,100 for the certificates of educational
14 convenience special line item.

15 5. A decrease of \$3,087,000 from the additional state aid to schools
16 special line item to reflect actual costs.

17 6. A decrease of \$120,000 from the optional performance incentive
18 programs special line item to reflect actual costs.

19 B. The department of education appropriation from the permanent state
20 school fund for the basic state aid entitlement special line item for fiscal
21 year 2005-2006 is increased by \$7,072,000 due to the availability of
22 carry-forward monies from that fund from prior fiscal years and a revised
23 estimate of the amount of monies available for expenditure from the fund for
24 the current fiscal year.

25 Sec. 2. Supplemental appropriations; department of health
26 services; purposes

27 A. The appropriations made to the poison control center funding and
28 university of Arizona poison control center funding special line items in the
29 department of health services from the poison control fund in fiscal year
30 2005-2006 are each reduced by \$175,000 due to a reduction in available
31 funding.

32 B. The sum of \$6,740,200 is appropriated from the state general fund
33 and \$7,600,000 in total expenditure authority in fiscal year 2005-2006 to the
34 department of health services for supplemental funding as follows:

35 1. \$175,000 from the state general fund to the poison control center
36 funding special line item.

37 2. \$175,000 from the state general fund to the university of Arizona
38 poison control center funding special line item.

39 3. \$3,715,200 from the state general fund to the medicare clawback
40 payments special line item to pay for clawback payments to the federal
41 government.

42 4. \$175,000 from the state general fund to the laboratory services
43 special line item for operating costs at the state laboratory.

1 5. \$2,500,000 from the state general fund and \$7,600,000 in total
2 expenditure authority for costs associated with the title XIX behavioral
3 health program.

4 Sec. 3. Supplemental appropriations; department of revenue;
5 purposes; exemption

6 A. The sum of \$135,000 is appropriated from the estate and unclaimed
7 property fund in fiscal year 2005-2006 to the department of revenue for
8 supplemental funding for unclaimed property printing and advertising costs.

9 B. The sum of \$975,000 is appropriated from the state general fund in
10 fiscal year 2005-2006 to the department of revenue for supplemental funding
11 for administration of the Kerr v. State of Arizona lawsuit. Before the
12 expenditure of any monies allocated in this subsection, the department of
13 revenue shall present an expenditure plan for review by the joint legislative
14 budget committee that includes an estimate and scope of the entire
15 administrative requirement associated with disbursing payments and costs for
16 this case.

17 C. The appropriation made in subsection B of this section is exempt
18 from the provisions of section 35-190, Arizona Revised Statutes, relating to
19 lapsing of appropriations, through June 30, 2007.

20 Sec. 4. State department of corrections; budget allocations;
21 appropriation; fiscal year 2005-2006

22 A. Notwithstanding the \$74,205,600 state general fund amount for the
23 employer health and dental insurance contribution determined by the joint
24 legislative budget committee staff pursuant to section 38-654, Arizona
25 Revised Statutes, the state general fund contribution by the state department
26 of corrections shall be \$64,205,600 in fiscal year 2005-2006.

27 B. Of the remaining \$10,000,000 from the reduced contribution in
28 subsection A of this section, the state department of corrections shall use
29 \$5,089,000 for health related all other operating expenditures and \$4,911,000
30 for non-health related all other operating expenditures in fiscal year
31 2005-2006.

32 C. The sum of \$9,900,000 is appropriated from the state general fund
33 in fiscal year 2005-2006 to the state department of corrections to provide
34 supplemental funding of \$6,427,800 for overtime and compensatory time
35 expenditures and \$3,472,200 for health related expenditures and all other
36 operating expenditures.

37 Sec. 5. Supplemental appropriation; department of
38 administration; health insurance trust fund

39 The sum of \$10,000,000 is appropriated from the state general fund in
40 fiscal year 2005-2006 to the department of administration health insurance
41 trust fund to provide supplemental funding for health and dental insurance
42 premiums.

1 Sec. 6. Information technology retirement appropriations;
2 exemption

3 Notwithstanding any other law, the amounts appropriated to the
4 information technology plan special line item for the Arizona state
5 retirement system for fiscal year 2003-2004, fiscal year 2004-2005 and fiscal
6 year 2005-2006 by Laws 2003, chapter 262, section 88 and Laws 2005, chapter
7 286, section 87 are exempt from the provisions of section 35-190, Arizona
8 Revised Statutes, relating to lapsing of appropriations, through June
9 30, 2007.

10 Sec. 7. Supplemental appropriation; state board of
11 equalization; purpose; exemption

12 A. The sum of \$323,200 is appropriated from the state general fund in
13 fiscal year 2005-2006 to the state board of equalization for supplemental
14 funding for designing and programming a new computer system.

15 B. The appropriation made in subsection A of this section is exempt
16 from the provisions of section 35-190, Arizona Revised Statutes, relating to
17 lapsing of appropriations, through June 30, 2007.

18 Sec. 8. Supplemental appropriation; Arizona judiciary; supreme
19 court; county reimbursements

20 The sum of \$388,700 is appropriated from the state general fund in
21 fiscal year 2005-2006 for supplemental funding for the supreme court's county
22 reimbursements special line item. Of this amount, \$144,500 is for fiscal
23 year 2004-2005 outstanding state grand jury invoices, \$132,200 is
24 supplemental funding for fiscal year 2005-2006 state grand jury expenses and
25 \$112,000 is supplemental funding for fiscal year 2005-2006 postconviction
26 relief expenses.

27 Sec. 9. AHCCCS; disproportionate share payments

28 A. In addition to the disproportionate share payments authorized in
29 Laws 2005, chapter 286, section 7, the Arizona health care cost containment
30 system administration shall make additional disproportionate share payments
31 of \$16,162,900 to qualifying county operated hospitals pursuant to section
32 36-2903.01, subsection P, Arizona Revised Statutes.

33 B. In addition to the withholding amount specified in Laws 2005,
34 chapter 328, section 15, and based on the additional distribution of
35 disproportionate share funding to county operated hospitals authorized in
36 subsection A of this section pursuant to section 36-2903.01, subsection P,
37 Arizona Revised Statutes, the state treasurer shall withhold an additional
38 amount totaling \$16,162,900 from state transaction privilege tax revenues
39 otherwise distributable, from counties with a population of at least one
40 million five hundred thousand persons.

41 C. If amounts withheld pursuant to subsection B of this section for
42 fiscal year 2005-2006 do not equal \$16,162,900, the state treasurer may also
43 withhold transaction privilege tax revenues in fiscal year 2006-2007 so that
44 the total amount withheld in both fiscal years under this section matches the
45 amount specified in subsection B of this section.

1 Sec. 10. Average daily membership; K-12; fiscal year 2005-2006
2 computation

3 In addition to computing average daily membership counts for the first
4 one hundred forty days of the 2005-2006 school year, as required by a
5 footnote in Laws 2005, chapter 286, section 30, the department of education
6 shall compute average daily membership counts for the first one hundred sixty
7 days of the 2005-2006 school year. By February 1, 2007, the department of
8 education shall provide a report to the director of the joint legislative
9 budget committee that compares the average daily membership count of each
10 school district and charter school in the state through the first one
11 hundred, one hundred forty and one hundred sixty days of the 2005-2006 school
12 year. The one hundred forty and one hundred sixty day average daily
13 membership counts computed pursuant to this requirement shall not be used for
14 basic state aid formula funding purposes.

15 Sec. 11. Project challenge; appropriation; exemption

16 Notwithstanding any other law, \$500,000 of the amounts appropriated for
17 project challenge in the department of emergency and military affairs for
18 fiscal year 2005-2006 by Laws 2005, chapter 286, section 31 are exempt from
19 the provisions of section 35-190, Arizona Revised Statutes, relating to
20 lapsing of appropriations, through June 30, 2007.

APPROVED BY THE GOVERNOR JUNE 8, 2006.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 9, 2006.